GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:6686
ANSWERED ON:10.05.2002
FOREIGN EXCHANGE DEALERS
SHYAMA SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether it has come to the notice of the Government that several foreign exchange dealers are involved in illegal withdrawal of foreign exchange worth crores of rupees using forged documents;

(b) if so, the facts and details thereof; and

(c)the steps taken by the Government to curb the illegal activities of foreign exchange dealers?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) The Enforcement Directorate, has registered some cases against Full FledgedMoney Changers for alleged involvementin illegal foreign exchange dealings using forged documents.

(b) Statement giving details of such cases alongwith present status is annexed.

(c) On the basis of information received/intelligence collected, the Enforcement Directorate takes appropriateaction under law against foreign exchange dealers involved in illegal foreign exchange dealings.

STATEMENT ANNEXED IN REPLY TO PART - (b) OF THE LOK SABHA UNSTARRED QUESTION NO.6686 FOR 10.5.2002

SL.NO.	NAME & ADDRESS OF THE PARTY	NATURE OF CONTRAVENTION & AMOUNT INVOLVED	REMARKS
1	M/s. New Line Finance Ltd. Shri Muthuswamy, Mg. Director Sh Krishna Mani, Vice President No.26, 1st Street, Sait Colony, Egmore, Chennai-8	Sec.6(4), 6(5), 7, 8(1) r/w. 49 of FERA, 1973 US$.30,00,000	Pending adjudication before Special Director of Enforcement
2	M/s. New Lines Finance Ltd. Madurai Road, Trichy	Sec.6(4), 6(5), 7, 8(1) r/w. 49 of FERA, 1973 US$.2,23,600	- do -
3	M/s. Lakshmi Trade Credits Ltd. B-28, Janne Plaza, Trichy	Sec. 6(5), 7(1), 7(2), 7(3) and 8(1) of FERA, 1973 US$.20,00,000 US$.15,00,000	- do -
4	State Bank of India, NRI Branch, 7th Floor, 103A, Anna Salai, Chennai-2	Sec. 6(4), 6(5), 73(3) and 68(1) of FERA, 1973 Rs.1,08,86,244.65	- do -
5	M/s. International Money Exchange Corporation, 54, Cathedral Road, Chennai-86	Sec.7 r/w. 6(4), 6(5), 49 and 8(1) of FERA, 1973 US$.1,000, UAE Dr.4,000 DM 4,600, 2,415 FF 23,250	

	UKÂ£.5,520, SR.3,700 Q.R. 1200, MR.1800 and S.$.4,000	Adjudicated	
6	M/s. Fairway & Co. Shop No.14, Prince Plaza, No.46, Pantheon Road, Egmore, Chennai-8	Sec.7(2), 7(4) r/w. Sec.6(4), 6(5), 48, 49 of FERA, 1973	Rs.15,80,52,096.50 Pending adjudication before the Special Director of Enforcement
7	M/s. Kanniah Travel Agency No.71-72, Wallajah Road, Chennai.	Sec.7(2), 7(4) r/w. 6(4), 6(5) of FERA, 1973	Rs.27,05,04,900 - do -
8	M/s. Sterling Exchange Corpn., Palakarai, Trichi-1	Sec.8(1), 9(1)(a)	US$.2,00,000 - do -
9	M/s. Goodluck Forex India Pvt.Ltd. 90, Wellington Plaza, Mount Road, Chennai-2	Sec.8(1), 9(1)(a)	US$.1,50,000 - do -
10	M/s. Rahem Travel Services, 5, General patters Road, Chennai-2	Sec.8(1), 9(1)(a)	US$.1,50,000 - do -
11	M/s. Sterling Exchange Corpn. 90, Wellington Plaza, Mount Road, Chennai-2	7(2), 7(4), r/w. 6(4), 6(5), 8(1), 8(2), 48, 49, r/w. clauses 11, 22, 23, 24, 26 of FLM Memo.	US$.1,68,68,000 - do -
12.	M/s. Goodluck Forex India Pvt. Ltd., Mount Road, Chennai.	As above Secs.	US$.34,12,000 - do -
13.	M/s. Rahem Travel Services, Mount Road, Chennai-2	As above Secs.	US$.52,14,000 - do -
14.	M/s. Sterling Exchange Corpn. Palakarai, Trichy.	As above Secs.	US$.52,14,000 - do -